

# MLI Frequently Asked Questions

Updated May 24, 2013

Q. What insurance companies do you not anticipate having online on January 1st?

A. It is expected that all insurance companies will be online by January 1<sup>st</sup>. Currently, insurers representing over 85% of the vehicle population are testing the system. If an insurer fails or refuses to participate, they will be subject to penalties by the Department of Insurance.

Q. If a customer brings in their insurance card, do we still verify insurance using the online insurance verification system?

A. Yes. Code Section 32-7A-17 provides that no registration or renewal shall be issued unless the licensing official receives satisfactory evidence of insurance or verification of liability insurance through the OIVS. The county registration system should be updated to reflect any changes in the vehicle insurance information.

Q. Is insurance required to be verified on renewals by mail?

A. Yes. Insurance is required to be verified prior to all registration transactions, regardless if the transaction is processed by mail, online or face to face. The vehicle owner should provide the updated identification and insurance information.

Q. Do we have to verify insurance for every renewal?

A. Yes. Code Section 32-7A-17 provides that no registration or renewal shall be issued unless the licensing official receives satisfactory evidence of insurance or verification of liability insurance through the OIVS.

Q. Do we only ask for insurance if the insurance information isn't in our system or already verified?

A. The insurance information may already be included in the registration record; however, it must be verified for every registration transaction. If insurance information is incorrect or missing, it must be obtained, recorded and verified.

Q. Are license plate issuing officials required to verify insurance prior to the issuance of disability access parking placards?

A. No. Disability access parking placards are not vehicle registrations.

Q. Are license plate issuing officials required to verify insurance prior to the issuance of a temporary tag?

A. Yes. However, vehicles that are purchased in Alabama and are being transported to another state to be titled and registered are exempt from the Alabama MLI law.

# MLI Frequently Asked Questions

Updated May 24, 2013

Q. Does the license plate issuing official have to keep a copy of the proof of insurance presented by the registrant, or is visual verification sufficient?

A. No. The law does not require that copies of the proof of insurance be maintained by the license plate issuing official. The official should verify that the most current insurance information is updated in the registration record.

Q. Where should county license plate issuing officials direct vehicle owners if the insurance cannot be confirmed.

A. If the vehicle owner has insurance on the vehicle, but OIVS cannot confirm the insurance, the license plate issuing official should provide the reason code to the registrant and advise the registrant to contact their insurance carrier.

Q. Will county offices still collect reinstatement fees when registrant doesn't have insurance?

A. Yes. Reinstatement fees should be collected if a registrant cannot provide evidence of insurance when attempting to reinstate his/her registration after a suspension, or upon receipt of an insurance questionnaire or notice of suspension.

Q. Explain how the commercial vehicle insurance verification will work...will the system check to see if they have insurance?

A. Vehicles covered under a commercial or blanket liability insurance policy are exempt from OIVS. However, license plate issuing officials should verify the commercial insurance by viewing the evidence of insurance document. The vehicle registration record should reflect a "C" for commercial policy type.

Q. How often are we required to verify commercial vehicle insurance?

A. Evidence of commercial insurance is only required to be presented during the first year of implementation or the first time the vehicle is registered.

Q. Is there a list of reason codes for unconfirmed insurance?

A. Yes. The OIVS user guide on the DOR website includes the IICMVA approved unconfirmed reason codes; however, it should not be necessary for license plate issuing officials to know these codes since the unconfirmed response will provide the reason codes as well as a description of the reason code.

# MLI Frequently Asked Questions

Updated May 24, 2013

Q. How will the license plate issuing official update the insurance information in the system if the insurance information (NAIC or policy number) reflected in the registration system is different from the insurance information on the owner's insurance card?

A. The license plate issuing official should update the insurance information in the county registration system and attempt to re-verify the insurance.

Q. Can you use insurance in the sellers name to obtain a tag?

A. No. The vehicle owner is responsible for insuring the vehicle. 32-7A-6 states if the insurance card is issued for a non-owner policy, the card may state "non-owner policy" in lieu of vehicle year, make, and model.

Q. Are licensing officials required to obtain the driver license number for non-owners?

A. No. Section 32-7A- 17 states that the licensing official is required to obtain the identification of the vehicle owner(s) or lessee/operator(s). **All license plate issuing officials are required to obtain the Alabama driver's license number of each owner when processing an initial motor vehicle registration or transfer of registration. When renewing a motor vehicle registration that contains more than one individual or entity listed as a registrant for a motor vehicle, a valid driver's license or other identification document as listed in Section 32-7A-17, is required for only one of the individuals or entities listed as a registrant (change effective May 24, 2013 with enactment of 2013-398).**

Q. What number is used for the insurance policy number? Are dashes and spaces included in the number?

A. The insurance policy number should be reflected on the insurance card, temporary insurance card, declarations page, etc. Dashes or spaces should not be used when entering the insurance policy in the county registration system, although the insurance document may include dashes and/or spaces.

Q. Previously, when the registrant stated the vehicle was stored or inoperable, the registrant was required to provide evidence of insurance on the last registration date. Does this rule still apply?

A. No. The registrant will provide insurance information prior to the licensing official performing a registration transaction beginning January 1, 2013. If the vehicle owner states the vehicle became inoperable after registration and insurance was dropped on the vehicle, then the registration will be revoked. The registrant must obtain a new license plate/ registration prior to operating the vehicle again and insurance must be verified prior to this registration transaction.

Q. Is a "stored" or "inoperable" vehicle defined?

# MLI Frequently Asked Questions

Updated May 24, 2013

A. No. Section 32-7A-2 does not define stored or inoperable. Section 40-12-258, in detailing reregistering a stored vehicle states the phrase “stored in this state” shall be deemed to mean that a vehicle has not been used or operated on the public highways of this state and the vehicle remained in this state during the current registration period.

Q. If registration is revoked and the registrant obtains a new registration, can the registrant use the previous tag?

A. No. When a registration is revoked, the license plate and registration is dead and will be noted as such on the law enforcement database.

Q. Can the registrant reuse the same tag if they had a personalized tag?

A. Yes. Rule 810-5-1-.234 provides that license plates with personalized messages may be reissued by the license plate issuing official upon collecting the additional and standard registration fees.

Q. Is the registrant required to pay the standard and additional \$50.00 fee if they are attempting to register a vehicle for which the registration has been revoked?

A. Yes. Code Section 32-7A-11 requires the vehicle owner to purchase a new registration. Section 40-12-258 does not permit the proration of license fees except for new vehicles, farm vehicles and recreational vehicles. Farm and recreational vehicles should not be registered unless they are insured.

Q. Are there any reinstatement fees or penalties to reinstate a registration for a vehicle for which the registration has been revoked?

A. No. Reinstatement fees are only due for a MLI violation.

Q. Is the registrant required to pay registration fees for the entire year?

A. Yes. The registrant must pay a full year’s registration fees, including issuance fees. Ad valorem tax is not required to be paid again.

Q. If the registration is revoked and the registrant does not purchase a new registration during the registration period, can the ad valorem tax be refunded?

A. This question should be properly addressed to the Property Tax Division at (334) 242-1525.

# MLI Frequently Asked Questions

Updated May 24, 2013

Q. Is the registrant required to surrender the license plate upon revocation of the registration?

A. No. The law requires the department to update its records to reflect that the registration is revoked for the remainder of the registration period.

Q. If a license plate and registration are revoked, is there a fee similar to a reinstatement fee when issuing a new tag?

A. No, there are no reinstatement fees due as are collected for MLI violations. However, the registrant must pay all registration fees for the new registration.

Q. Will the vehicle owner receive notification if their registration is revoked?

A. Yes. The registrant will receive a registration revocation notice when they indicate on an insurance questionnaire that their vehicle is stored or inoperable. The MLI system will generate the notice to be provided to the registrant.

Q. Is there a limit as to how many times the registration can be revoked?

A. No. The law does not provide for a maximum number of revocations.

Q. If a vehicle is stored or inoperable and the registration is revoked, is there a time limit to obtain registration on the vehicle?

A. No. Code section 40-12-242 requires registration fees to be paid on vehicles which operate on the state highways. Section 32-7A-4 requires vehicles to be insured before they are registered or operated.

Q. When issuing a new plate when the old one has been revoked, do we use the revocation date as the tag start date? Also, will there be any penalties and interest?

A. Penalties and interest are not assessed. The issue date of the newly issued license plate and registration should be used because the new registration will be effective from the new issuance date.

Q. When you revoke the registration will the customer have to wait until their renewal month to get a new registration?

# MLI Frequently Asked Questions

Updated May 24, 2013

A. No. At any point after the registration has been revoked, the registrant can obtain a new registration/license plate for the vehicle. This will be a registration transaction which will require insurance confirmation.

Q. What if a registrant attempts to register his/her vehicle on the first day of their renewal month; however they have a insurance questionnaire and claim the vehicle was stored/inoperable?

A. The response to the questionnaire should be entered in the MLI system and this will log the response and revoke the current registration. Before a new registration transaction can be processed, insurance must be verified on the vehicle.

Q. How will the county licensing office know when a registration is revoked?

A. Revoked registrations will be reflected with the suspended registrations on the nightly files that are provided to the counties via the FTP site. The revoked registrations will have the code "VR- void revoked".

Q. Seems cheaper to correctly or incorrectly state vehicle was inoperable than to say you had no insurance. Is this correct?

A. Yes. A reinstatement fee is \$200 or \$400. A standard registration fee is \$23. The effect of the revocation or suspension is the same...no registration unless the vehicle is insured.

Q. Occasionally, a registration suspension will follow a reused license plate number (i.e. annual or low-numbered plates). Is there any way to prevent this from happening?

A. Act 2012-416 eliminated the issuance of annual license plates beginning in 2013, so this issue should eventually be eliminated.

Q: If the registrant does not have a valid driver license or other required identification documents, can that person make up a number?

A. When a registrant does not have a driver license, state issued ID, national driver license or federal employer ID number, a department assigned ID number may be assigned in accordance with rule 810-5-8-09. As a general rule, the number on the document is used as the driver license number on the registration record unless the number is a social security number. If the number is a social security number or no number is present on the identification document, then a number up to 20 characters is to be created.

Q. How should we handle military individuals who have out of state driver licenses that are expired?

# MLI Frequently Asked Questions

Updated May 24, 2013

A. Code section 32-7A-17 provides that only “valid” driver licenses may be accepted. The department legal counsel has determined that the term “valid” means unexpired and currently in effect.

Q. Can a registrant present a driver’s license from another state, or do they have to obtain a Alabama driver license or State issued ID?

A. The law allows for a driver’s license to be presented from any U.S. state or province, the District of Columbia, a Canadian province, or a Mexican state. Instead of noting OJ for the state field in the registration record, the clerk will record the two digit postal code for the state. This is further clarified in administrative rule 810-5-8-.09 – Identification Numbers.

Q. Can we accept Mexican IDs if the registrant has an Alabama address?

A. Yes. The code defines a state as: “any state, territory or possession of the United States, the District of Columbia, any province or territory of the Dominion of Canada, or a state of the Republic of Mexico” and 32-7A-17 states that the licensing official will require a state driver’s license number, non driver identification number, or FEIN. Mexican states are included in the definition in the code (32-7A-2(24)). So if the Mexican state issued ID is valid, it is acceptable. You must verify whether the individual is a resident of your county or not. We are not enforcing the immigration law.

Q. What if we have registrants who have driver licenses from other countries, such as Guatemala? Can we accept these IDs?

A. If the driver license or non-driver ID is not issued by a state/territory defined by the MLI law (32-7A-2(24)), the identification is not acceptable as a state-issued driver license or non-driver ID; however, the licensing official has the authority under administrative rule 810-5-8-.09 to assign a Revenue Department (RD) identification number. The county registrations database should be updated to reflect the identification number from the Guatemalan driver license in the driver license number field and the “RD” code should be entered in the driver license state field. No expiration date should be entered. Other examples of acceptable identification documents include birth certificates, medicare card “A”, and U.S. Passport.

Q. Can an expired driver license or ID card be used?

A. No, the law requires a “valid” ID. Department of Revenue legal counsel has defined “valid” as unexpired. See rule number 810-5-8-.09 – Identification Numbers

Q. Can a National or International Driver License be presented as identification for MLI?

# MLI Frequently Asked Questions

Updated May 24, 2013

A. An International driver license may be presented along with a driver license from another state as defined in the MLI law for interpretation of the foreign driver's license. A national driver's license is included as an acceptable form of identification in accordance with Section 32-7A-17.

Q. What is an International driver license?

A. An International Driver License is a document interpreting the foreign driver's license.

Q. Is an International driver's license the same as a National driver's license, and is the registrant required to have a current Alabama address on these?

A. An International driver license is a document interpreting the foreign driver license. A national driver license does not currently exist. In order to be registered in Alabama, the vehicle must be "based" in Alabama. The DOR does not administer the driver license law.

Q. Can a vehicle owner present a suspended or revoked driver license?

A. No. Code Section 32-7A-17 requires the licensing official to obtain a "valid" unexpired driver license. Department legal counsel has defined "valid" as current and unexpired. The vehicle owner should be encouraged to reinstate their driver license or obtain a state issued ID card.

Q. If the vehicle owner's driver license is expired, is the vehicle owner required to renew the driver license before they are allowed to register the vehicle?

A. Yes. The MLI law provides that the driver license must be "valid" (i.e. unexpired).

Q. Is the license plate issuing official required to see the out of state driver license or non-driver ID?

A. Yes. The license plate issuing official must verify and record the driver license or non-driver ID information in the registration record. Alabama driver license and non-driver ID information may be verified using ALVerify.

Q. If a customer has insurance on vehicle in their Aunt, Uncle, etc. name, are we required to have their driver license information?

A. No, driver's license information is required for vehicle owners only.

Q. If a customer comes in & has two or more names on registration & only 1 person comes in, do we need to see a copy of the other person's driver's license or can they just bring in driver's license number & expiration date?



# MLI Frequently Asked Questions

Updated May 24, 2013

A. If the driver's license or non driver license is from AL and can be verified through Alverify, then you do not need to see the license. For all others, you will need to see the driver's license.

Q. What if the vehicle owner is a child or elderly person who doesn't have a driver license?

A. The identity of each vehicle owner must be verified prior to registration. If the vehicle owner does not have a driver license or non-driver identification card, they may be issued an identification number as provided in rule number 810-5-8-.09 - Identification Numbers.

Q. Is insurance verification required prior to issuing a title?

A. No. The mandatory liability insurance law only applies to private motor vehicles that are registered or operated on the highway.

Q. What if three owners are listed on the title, are we required to verify the identity of each owner?

A. Only two owner names are allowed on title and the driver license information must be obtained for each owner. **All license plate issuing officials are required to obtain the Alabama driver's license number of each owner when processing an initial motor vehicle registration or transfer of registration. When renewing a motor vehicle registration that contains more than one individual or entity listed as a registrant for a motor vehicle, a valid driver's license or other identification document as listed in Section 32-7A-17, is required for only one of the individuals or entities listed as a registrant (change effective May 24, 2013 with enactment of 2013-398).**

Q. What if vehicle is financed when they get married?

A. The law requires the current ownership information to be reflected in the title and registration documents. Also refer to administrative rule 810-5-75-.40 – Requirements for ...Title Applications... <http://www.revenue.alabama.gov/motorvehicle/mvrules/57540.pdf>. If the wife wishes to change her last name, she would have to make a request to the lienholder to have the title forwarded to a designated agent, preferable a county license plate issuing official, to have the last name changed or to add the spouse to the title.

Q. What if the vehicle is financed and there are 2 names listed and one is deceased. What document can we use to verify the 2nd person?

A. The law requires the current ownership information to be reflected in the title and registration documents. Also refer to administrative rule 810-5-75-.40 – Requirements for ...Title Applications... <http://www.revenue.alabama.gov/motorvehicle/mvrules/57540.pdf>. The

# MLI Frequently Asked Questions

Updated May 24, 2013

deceased owner's name should be removed from the title. However, the lienholder may not agree. Documents used to verify death could be a death certificate, or letters of testamentary or administration.

Q. What if the finance company refuses to change the vehicle owner's name?

A. The law requires the current ownership information to be reflected in the title and registration documents. Also refer to administrative rule 810-5-75-.40 – Requirements for ...Title Applications... <http://www.revenue.alabama.gov/motorvehicle/mvrules/57540.pdf>.

Q. How do we handle titling and registration of trusts?

A. The trustee has authority to title and register a vehicle owned by a trust with proper documentation. The vehicle must be registered in the trust's legal name as reflected on the title. The trustee's name can be included on the registration (ex. Adams Family Trust c/o John Smith). If the trust has a FEIN, the county registration database should reflect the FEIN in the driver's license number field with FE code in the state field. No date should be entered in the DL expiration date field. The law requires the current ownership information to be reflected in the title and registration documents. Also refer to administrative rule 810-5-75-.40 – Requirements for ...Title Applications... <http://www.revenue.alabama.gov/motorvehicle/mvrules/57540.pdf>.

Q. What renewal month is to be used for trusts?

A. The vehicle renewal month is specified by law (Section 32-6-61) based on the first letter of an individual's last (legal) name.

If the trust is for an individual and is listed as "David Copperfield Revocable Living Trust", the vehicle would be titled as "Copperfield, David Revocable Living Trust" and therefore the last name would be used to determine the registration renewal month. In this example, the renewal month would be the month for "C" which would be March.

If the trust is for a company and is listed as "David Copperfield Trucking LLC Trust", the vehicle would be titled as "David Copperfield Trucking LLC Trust" and the registration renewal would be the month for "D" which would be January.